

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 421

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IN THE SENATE OF THE UNITED STATES

MARCH 15, 1995

Received

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## AN ACT

To amend the Alaska Native Claims Settlement Act to provide for the purchase of common stock of Cook Inlet Region, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. PURCHASE OF SETTLEMENT COMMON STOCK**  
4                       **OF COOK INLET REGION.**

5       (a) IN GENERAL.—Section 7(h) of the Alaska Native  
6       Claims Settlement Act (43 U.S.C. 1606(h)) is amended  
7       by adding at the end the following new paragraph:

1       “(4)(A) As used in this paragraph, the term ‘Cook  
2 Inlet Regional Corporation’ means Cook Inlet Region, In-  
3 corporated.

4       “(B) The Cook Inlet Regional Corporation may, by  
5 an amendment to its articles of incorporation made in ac-  
6 cordance with the voting standards under section  
7 36(d)(1), purchase Settlement Common Stock of the Cook  
8 Inlet Regional Corporation and all rights associated with  
9 the stock from the shareholders of Cook Inlet Regional  
10 Corporation in accordance with any provisions included in  
11 the amendment that relate to the terms, procedures, num-  
12 ber of offers to purchase, and timing of offers to purchase.

13       “(C) Subject to subparagraph (D), and notwithstand-  
14 ing paragraph (1)(B), the shareholders of Cook Inlet Re-  
15 gional Corporation may, in accordance with an amend-  
16 ment made pursuant to subparagraph (B), sell the Settle-  
17 ment Common Stock of the Cook Inlet Regional Corpora-  
18 tion to itself.

19       “(D) No sale or purchase may be made pursuant to  
20 this paragraph without the prior approval of the board of  
21 directors of Cook Inlet Regional Corporation. Except as  
22 provided in subparagraph (E), each sale and purchase  
23 made under this paragraph shall be made pursuant to an  
24 offer made on the same terms to all holders of Settlement  
25 Common Stock of the Cook Inlet Regional Corporation.

1       “(E) To recognize the different rights that accrue to  
2 any class or series of shares of Settlement Common Stock  
3 owned by stockholders who are not residents of a Native  
4 village (referred to in this paragraph as ‘non-village  
5 shares’), an amendment made pursuant to subparagraph  
6 (B) shall authorize the board of directors (at the option  
7 of the board) to offer to purchase—

8           “(i) the non-village shares, including the right  
9 to share in distributions made to shareholders pur-  
10 suant to subsections (j) and (m) (referred to in this  
11 paragraph as ‘nonresident distribution rights’), at a  
12 price that includes a premium, in addition to the  
13 amount that is offered for the purchase of other vil-  
14 lage shares of Settlement Common Stock of the  
15 Cook Inlet Regional Corporation, that reflects the  
16 value of the nonresident distribution rights; or

17           “(ii) non-village shares without the nonresident  
18 distribution rights associated with the shares.

19       “(F) Any shareholder who accepts an offer made by  
20 the board of directors pursuant to subparagraph (E)(ii)  
21 shall receive, with respect to each non-village share sold  
22 by the shareholder to the Cook Inlet Regional Corpora-  
23 tion—

1           “(i) the consideration for a share of Settlement  
2       Common Stock offered to shareholders of village  
3       shares; and

4           “(ii) a security for only the nonresident rights  
5       that attach to such share that does not have at-  
6       tached voting rights (referred to in this paragraph  
7       as a ‘non-voting security’).

8       “(G) An amendment made pursuant to subparagraph  
9       (B) shall authorize the issuance of a non-voting security  
10      that—

11           “(i) shall, for purposes of subsections (j) and  
12       (m), be treated as a non-village share with respect  
13      to—

14           “(I) computing distributions under such  
15       subsections; and

16           “(II) entitling the holder of the share to  
17       the proportional share of the distributions made  
18       under such subsections;

19           “(ii) may be sold to Cook Inlet Region, Inc.;  
20      and

21           “(iii) shall otherwise be subject to the restric-  
22       tions under paragraph (1)(B).

23       “(H) Any shares of Settlement Common Stock pur-  
24       chased pursuant to this paragraph shall be canceled on  
25      the conditions that—

1           “(i) non-village shares with the nonresident  
2           rights that attach to such shares that are purchased  
3           pursuant to this paragraph shall be considered to  
4           be—

5                   “(I) outstanding shares; and

6                   “(II) for the purposes of subsection (m),  
7           shares of stock registered on the books of the  
8           Cook Inlet Regional Corporation in the names  
9           of nonresidents of villages;

10           “(ii) any amount of funds that would be distrib-  
11           utable with respect to non-village shares or non-vot-  
12           ing securities pursuant to subsection (j) or (m) shall  
13           be distributed by Cook Inlet Regional Corporation to  
14           itself; and

15           “(iii) village shares that are purchased pursu-  
16           ant to this paragraph shall be considered to be—

17                   “(I) outstanding shares, and

18                   “(II) for the purposes of subsection (k)  
19           shares of stock registered on the books of the  
20           Cook Inlet Regional Corporation in the names  
21           of the residents of villages.

22           “(I) Any offer to purchase Settlement Common Stock  
23           made pursuant to this paragraph shall exclude from the  
24           offer—

1           “(i) any share of Settlement Common Stock  
2           held, at the time the offer is made, by an officer (in-  
3           cluding a member of the board of directors) of Cook  
4           Inlet Regional Corporation or a member of the im-  
5           mediate family of the officer; and

6           “(ii) any share of Settlement Common Stock  
7           held by any custodian, guardian, trustee, or attorney  
8           representing a shareholder of Cook Inlet Regional  
9           Corporation in fact or law, or any other similar per-  
10          son, entity, or representative.

11          “(J)(i) The board of directors of Cook Inlet Regional  
12          Corporation, in determining the terms of an offer to pur-  
13          chase made under this paragraph, including the amount  
14          of any premium paid with respect to a non-village share,  
15          may rely upon the good faith opinion of a recognized firm  
16          of investment bankers or valuation experts.

17          “(ii) Neither Cook Inlet Regional Corporation nor a  
18          member of the board of directors or officers of Cook Inlet  
19          Regional Corporation shall be liable for damages resulting  
20          from terms made in an offer made in connection with any  
21          purchase of Settlement Common Stock if the offer was  
22          made—

23                  “(I) in good faith;

24                  “(II) in reliance on a determination made pur-  
25          suant to clause (i); and

1           “(III) otherwise in accordance with this para-  
2       graph.

3           “(K) The consideration given for the purchase of Set-  
4       tlement Common Stock made pursuant to an offer to pur-  
5       chase that provides for such consideration may be in the  
6       form of cash, securities, or a combination of cash and se-  
7       curities, as determined by the board of directors of Cook  
8       Inlet Regional Corporation, in a manner consistent with  
9       an amendment made pursuant to subparagraph (B).

10          “(L) Sale of Settlement Common Stock in accordance  
11       with this paragraph shall not diminish a shareholder’s sta-  
12       tus as an Alaska Native or descendant of a Native for  
13       the purpose of qualifying for those programs, benefits and  
14       services or other rights or privileges set out for the benefit  
15       of Alaska Natives and Native Americans. Proceeds from  
16       the sale of Settlement Common Stock shall not be ex-  
17       cluded in determining eligibility for any needs-based pro-  
18       grams that may be provided by Federal, State or local  
19       agencies.”.

20          (b) CONFORMING AMENDMENT.—Section 8(c) of  
21       such Act (43 U.S.C. 1607(c)) is amended by striking  
22       “(h)” and inserting “(h) (other than paragraph (4))”.

          Passed the House of Representatives March 14,  
1995.

Attest:

ROBIN H. CARLE,  
*Clerk.*